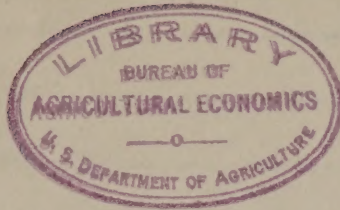


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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.



Dear Sir:

The following information is being provided you for your guidance in the cotton acreage reduction campaign beginning June 26.

The average acreage planted to cotton in your county during the five-year period 1928-1932 was _____. Thirty per cent of this is _____. The last figure is your quota of acreage reduction for this campaign.

The five-year average of acreage production for your county during the same period was _____ pounds.

Caution your committeemen to be conservative in the matter of acreage production estimates included in contracts.

Make all contracts in duplicate, retaining one for your records, and forward one to the Director of Extension immediately.

Check carefully each contract to see that it is properly filled out and approved. Your name should appear on each contract as the final approving officer of your county.

Very truly yours,

C. A. Cobb,
Expert in Charge,
Cotton Section, Production Division.

OFFER TO ENTER INTO COTTON OPTION-BENEFIT OR BENEFIT CONTRACTS

(Dates of approval)

Local committee..... Cash payment.....dollars
County committee..... Cotton optioned.....bales
Secretary of Agriculture..... Cotton planted in 1933.....acres
Acreage reduced in 1933.....acres
Yield per acre accepted.....pounds
Date of filing....., 1933

Acceptance of offers will be at the discretion of the Secretary of Agriculture.

Offers for option-benefit contracts will be accepted only to the amount of cotton held by the Secretary.

(Grower should not fill in blanks above this line)

Name and address to be typed or printed.

The undersigned

Mr. }
Mrs. }
Miss } (First name) (Middle initial) (Last name)

Post-office address (R.F.D.) (Box No.) (Post office) (State)

owns* } and operates a farm (Miles and direction) from (Town) on Road
rents }

in County, State of, and is desirous of cooperating with the Secretary of Agriculture in the effort being made to reduce the 1933 cotton production in America, and to this end and in order to obtain the payments to be made by the Secretary of Agriculture on behalf of the United States, makes the following offer and representations of fact, to wit:

1. I have now planted to cotton on the above-mentioned farm acres. This cotton is up to a good * } stand. This cotton { is * } fertilized with approximately pounds of fertilizer per acre.
fair }
poor }

2. In 1932 I harvested from the above-mentioned farm acres of cotton and produced bales of cotton, which was ginned at the gin operated by at, and/or sold to or through at. I estimate that, assuming normal conditions, I may reasonably expect to harvest pounds of lint cotton per acre from this planted acreage in the fall of 1933.

3. This crop is subject to lien in favor of:

NAME	NATURE OF LIEN	ADDRESS
------	----------------	---------

(After the name of the holder of the lien, insert nature of the lien, as landlord and/or mortgagee)

4. Consent in writing of the lien holders has been or will be obtained by me before any part of the cotton planted is taken out of production and/or before receipt by me of any benefit which may accrue to me hereunder.

5. If this offer is accepted I shall conform to such regulations as are or may be prescribed by the Secretary of Agriculture or authorized by him pertaining to the purposes of this offer.

6. I { am * } indebted to the United States Government in { a * } sum secured by a lien on the 1933 cotton crop and/or on account of any past due obligations of any kind to the United States Government. If I am, then it is understood that such obligation may be offset against any cash benefit accruing to me hereunder as is required by law. Such debts are as follows (list):

7. I offer to the Secretary of Agriculture on behalf of the United States acres of cotton on the above-mentioned farm as indicated by "X" on the attached map of the farm, which is made a part of this contract, and agree to take out of production the crop of cotton now growing thereon in accordance with such regulations as are or may hereafter be prescribed.

(a) I agree that the number of acres offered, and, correspondingly, the total compensation payable under paragraph 11, may be reduced by the Secretary at the time the offer is accepted.

8. The cotton crop on the offered acreage $\left\{ \begin{smallmatrix} \text{is} \\ \text{is not} \end{smallmatrix} \right. ^*$ fertilized, and represents a fair average of my crop and in my judgment, will, under normal weather and insect conditions, give to me a net yield of _____ pounds of lint cotton per acre.

I agree not to use more fertilizer per acre on my remaining cotton acreage than was used in 1932 unless such application has been made prior to the signing of this offer.

9. To the end that the Secretary of Agriculture may have ample opportunity for investigations, and in consideration of the making of such investigations this offer shall be irrevocable until July 31, 1933, and the Secretary shall have the privilege of accepting same by depositing in the mail written notice of acceptance addressed to me at the address herein given.

10. The Secretary shall have the right, through any person designated under his authority, of ingress and egress to and from the land embraced in this offer, and may at his discretion take such action as he may see fit to take out of cotton production the acreage covered by this offer by any means at his disposal, I hereby agreeing that no person, acting upon the authority of the Secretary of Agriculture, shall be liable in any way for any damage which may result from any reasonable action taken by such person to take out of cotton production any of the acreage covered by this offer in the event I fail to perform the requirements of any regulation with reference thereto after this offer shall have been accepted even though I may thereafter refuse to accept any benefit hereby provided for.

11. As a consideration moving to me for the taking out of production of this land, I elect to take—

(1) A cash payment of \$_____ per acre, making a total of \$_____ for the _____ acres embraced in this offer based upon estimated production of not less than _____ pounds of lint cotton per acre; or

(2) A cash payment of \$_____ per acre, making a total of \$_____ for the _____ acres embraced in this offer based upon the estimated production of not less than _____ pounds of lint cotton per acre, together with an option, a copy of which is at present on file in the office of the Secretary of Agriculture, and a copy of which the undersigned has received prior to executing this agreement (the terms and conditions of such option being therein set forth), to purchase from the Secretary of Agriculture at 6 cents per pound, basis middling $\frac{3}{8}$ -inch staple cotton as quoted on the New York Cotton Exchange, said option being for _____ bales of cotton, said number of bales representing the quantity of cotton which I estimate is taken out of production by virtue of this contract.

(Strike out the form of compensation not elected by the grower)

Payment (and delivery of the option contract if compensation (2) is elected) is to be made as soon after the acceptance of this contract by the Secretary as I may furnish proof of compliance with the provisions of this contract. Such proof must be submitted on or before December 1, 1933. In addition to the cash and option contract considerations, I reserve the right to plant the acreage taken out of cotton production, providing the same is planted solely for the production of soil-improvement or erosion-preventing crops or food or feed crops for home use.

12. I warrant the correctness of all matters and facts stated as such in this offer and obligate myself to the performance of all obligations imposed hereby or by such regulations. In witness whereof I have executed this instrument on this _____ day of _____, 1933.

This offer when accepted by the Secretary of Agriculture shall constitute a contract between me and the United States.

(Signature)

The undersigned lien-holder(s) and/or others having an interest in the 1933 cotton crop now being grown on the lands embraced in the foregoing offer, hereby consent(s) to the making of this offer and to the performance of the conditions thereof when and if accepted, and agree(s) that the Secretary or his agents may deal with the producer as if he were the sole party having interest in said cotton land or crop.

Witness:

Interested party:

(Signature)

(Signature)

(Signature)

(Signature)

(Signature)

(Signature)

The undersigned authority has inspected the land embraced in the foregoing offer, concurs in the estimate of probable production thereon, certifies after investigation that the facts stated therein are to the best of his knowledge and belief correct, and witnesses the signature of the producer.

Dated this _____ day of _____, 1933.

Planting date	Stand	Weevil infestation	Condition of field

(Signature, member local committee)

Acceptance of the foregoing offer is recommended by the undersigned committee, this _____ day of _____, 1933.

Accepted by and for the Secretary of Agriculture this _____ day of July 1933.

HENRY A. WALLACE,

Secretary of Agriculture,
for and on behalf of the United States.

By _____

SKETCH MAP OF FARM

Total size of farm, _____ acres.

Total cultivated crops, ----- acres.

(Indicate acreage in each field planted to cotton. Indicate by "X" the fields offered to be taken out of cotton production.)

This image shows a full page of blank graph paper. The grid consists of 10 columns and 10 rows of squares, creating a total of 100 small square units. The lines are thin and black, set against a light cream-colored background. There are no margins, text, or other markings on the page.

THE COTTON PLAN IN BRIEF

-0-

Cotton producers will be asked to sign contracts offering to lease a definite amount of their cotton acreage to the Secretary of Agriculture. "Cotton Week", beginning during the week of June 26, will be held throughout the Cotton Belt---a week's intensive campaign to procure the producer's cooperation.

If a sufficient number of offers have been received by the Secretary to justify an acreage reduction program, he will accept them. An effort will be made to act upon these offers within a week or 10 days after the campaign has been launched.

The consideration offered the cotton producer for his land is contained in two alternative plans:

(1) A cash payment in consideration of cooperation, based on the productivity of the land, and ranging from \$6 per acre for land yielding on the average around 100 pounds lint cotton per acre to \$12 for land yielding on the average 275 pounds or more per acre, plus an option on government-held cotton in an amount equal to that which the producer agrees to retire from production, and at a price of 6 cents per pound.

(2) A cash benefit without the cotton option, the amount of such benefit on a per acre basis, to range from \$7 for land yielding from 100-124 pounds per acre to \$20 for land yielding 275 pounds or more per acre.

If a sufficient number of offers is received to insure effective reduction of production, and the Secretary announces his intention to pay benefits, a processing tax must be in effect as of the beginning of the marketing year, which for cotton is about August 1. The amount of the tax will be computed after a proclamation by the Secretary announcing his determination to pay benefits and under the law will be the difference between the current average farm price and the fair exchange value. The current average farm price is

THE COTTON PLAN IN BRIEF

-0-

Cotton producers will be asked to sign contracts offering to lease a definite amount of their cotton acreage to the Secretary of Agriculture. "Cotton Week", beginning during the week of June 25, will be held throughout the Cotton Belt---a week's intensive campaign to procure the producer's cooperation. If a sufficient number of offers have been received by the Secretary to justify an acreage reduction program, he will accept them. An effort will be made to act upon these offers within a week or 10 days after the campaign has been launched.

The consideration offered the cotton producer for his land is contained in the following alternative plans:

(1) A cash payment in consideration of cooperation, based on the productivity of the land, and ranging from \$6 per acre for land yielding on the average 100 pounds lint cotton per acre to \$12 for land yielding on the average 200 pounds or more per acre, plus an option on Government-held cotton in an amount equal to that which the producer agrees to retire from production, and a price of 6 cents per pound.

(2) A cash benefit without the cotton option, the amount of such benefit on a per acre basis, to range from \$7 for land yielding from 100-124 pounds per acre to \$20 for land yielding 225 pounds or more per acre.

If a sufficient number of offers is received to insure effective reduction in production, and the Secretary announces his intention to pay benefits, a processing tax must be in effect as of the beginning of the marketing year, which for cotton is about August 1. The amount of the tax will be computed after a proclamation by the Secretary announcing his determination to pay benefits and under the law will be the difference between the current average farm price and the fair exchange value. The current average farm price is

to be determined from available statistics in the Department of Agriculture.

The amount of acreage to be retired from production will be determined by the Secretary after the offers have been received. No definite amount of acreage is predetermined except to procure a sufficient amount of production to be retired as will effectively eliminate a substantial portion of this year's crop and reduce excessive supplies.

to be considered from various points of view.

The amount of output is to be determined by the

amount of input. The amount of input is to be determined by the

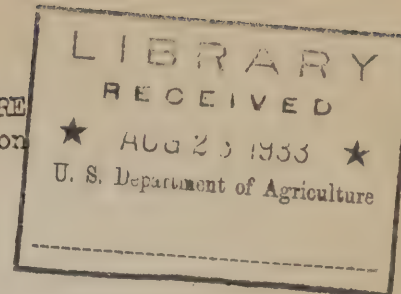
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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.



1933 COTTON ADJUSTMENT PROGRAM

To All County Agents:

The Agricultural Adjustment Administration is mailing to County Agents to be issued to producers, individual notices that the Secretary of Agriculture has accepted, or modified and accepted as modified, offers to take cotton lands out of production. This is being done with all possible speed. Because of the fact that a large number of offer blanks were not filled out properly and also because there was, and still is, delay in sending to Washington many of the offers, and for other reasons, the Administration is not able to issue a blanket acceptance of all offers and an authorization for every producer who has made an offer to begin destroying the crop on the land offered. Where the offer blank was filled out incorrectly, the Administration is anxious that the producer be made aware of the errors in his offer before he starts destroying any part of his crop, so that he will have a clear understanding of the basis on which he is to proceed. Nevertheless, it is recognized that an emergency exists which makes it necessary for many producers to begin taking their land out of production in order to plant feed or cover crops without waiting until they receive formal notices of the acceptance of their offers by the Secretary of Agriculture. To care for this situation, the Agricultural Adjustment Administration is issuing a form on which the producer may request permission from his County Agent to proceed with destroying the part of his crop covered by his offer.

The application is addressed to the County Agent. By signing it, the producer recognizes that his offer may have been improperly filled out--that he may have computed the payments due him inaccurately or that some similar mistake may have been made. If the producer is willing to go ahead, knowing that there may be some adjustment made in his offer and the County Agent determines that such an emergency exists, so that the producer should be allowed to proceed with destroying his offered crop, then the County Agent should sign the permit form printed below the application and allow the producer to begin taking his land out of production. In no case, however, should the producer take any land out of production until a member of the local committee has indicated his approval by signing his name at the place provided for the purpose on the application form. The application and permit should be filled out and signed in triplicate, the yellow form to be retained by the producer, the pink form by the County Agent, and the white form forwarded by the County Agent to the Agricultural Adjustment Administration at Washington, along with the producer's proof of Performance and Certification (forms for which will follow).

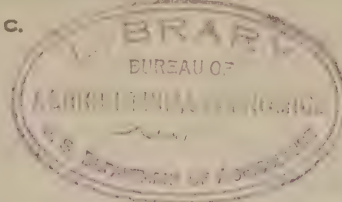
No permit should be issued to a producer who has received a Notice of Acceptance from the Secretary.

Producers whose offers have been accepted by the Secretary of Agriculture, including those who have signed emergency applications for permits to take land out of cotton production, will receive from the Agricultural Adjustment Administration, notices showing such acceptance. These notices will be mailed to County Agents and it will be their duty to distribute them to the producers named in them. The notices will show the net result of the modifications, if any, which have been made in the producer's offer and the amount of compensation to which he will be entitled upon performance of his contract.

After a producer has received a notice of acceptance by the Secretary of Agriculture or has been granted by the County Agent a permit to proceed to take land out of cotton production, it shall be the County Agent's duty to instruct him as to the manner in which his crop shall be destroyed. No uniform manner can be prescribed since conditions of planting and growth vary in different localities. The County Agent is in position to determine the best method of insuring complete destruction of the cotton crop growing on the land to be taken out of cotton production, and will instruct producers to act as he believes necessary to accomplish such complete destruction. Forms captioned--"Performance and Certification"-- are being sent to County Agents, on which forms producers who have taken land out of cotton production may submit proof of the performance of their contracts. These forms captioned--"Performance and Certification"--are to be delivered to producers, both to those who have been granted emergency permits to proceed with taking land out of cotton production and also to those who take land out of cotton production in regular course pursuant to Notice of Acceptance by the Secretary of Agriculture.

To avoid delay, some Notices of Acceptance by the Secretary are being mailed to County Agents before final reports are received substantiating or modifying questioned estimates of 1933 per acre yield. County Agents must examine all acceptances to verify the estimated yields per acre and any other significant facts and deliver to the producers only those Notices of Acceptance that have been fully substantiated and approved by the County Agent and the County Committee. A Notice of Acceptance that is not delivered to the producer and the corresponding "Memorandum to County Agent" should be returned to the Agricultural Adjustment Administration, Cotton Section, with a notation of changes that are made. When the County Agent does not deliver the Notice of Acceptance to the producer an emergency permit may be issued to the producer, in which the conditions and estimated yield are correctly stated, authorizing the producer to proceed with the destruction of the cotton crop on his accepted acreage.

. It is the purpose of the Agricultural Adjustment Administration to proceed as rapidly as possible in having producers take offered land out of cotton production. The system of emergency applications and permits here set forth is being used in addition to the more orderly system of individual acceptances. Its success will depend upon the intelligent cooperation of the County Agents. The Agricultural Adjustment Administration is relying upon them to insure the success of the cotton program in this, as in the other phases of that program in which they participate.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

TO ALL COUNTY AGENTS:

You have performed an excellent service both to the people of your community and to your Government, for which I thank you.

As a further evidence of our confidence in your ability, integrity, and loyalty, the Agricultural Adjustment Administration is now imposing upon you a serious responsibility by authorizing you to consider applications by producers for permits to take out of cotton production the acreage described in the applicant's offer. The matter of granting such a permit is left to your discretion, you to be assisted and guided by the judgment of your County Committee. Please note the emergency clause in the application for a permit and grant no permit unless you are satisfied that such an emergency exists.

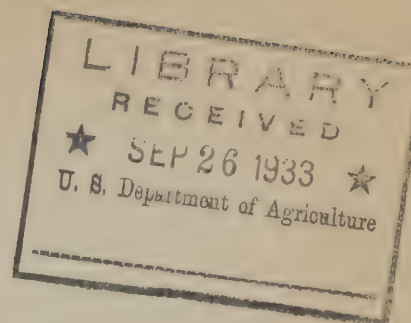
In passing upon such applications as may be made to you, you will show no partiality, be influenced solely by a purpose to perform an official duty with absolute fairness to the applicant and to the Government. You are expected to examine carefully the offering contract, make all such corrections and alterations as may be necessary to make it conform to the purposes of the Administration and to applicable regulations and instructions. You and your County Committee will give careful consideration to the estimated yield indicated by the applicant, and will grant no permit to any applicant unless and until you and your County Committee are fully satisfied that the estimated yield is reasonably fair and accurate. The Administration is relying upon you to protect it from fraud and from such injustice as would result from permitting overestimates of production to be made.

Yours truly,

George N. Peek
Administrator.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.



1933 COTTON ADJUSTMENT PROGRAM

To All County Agents:

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The application is addressed to the County Agent. By signing it, the producer recognizes that his offer may have been improperly filled out--that he may have computed the payments due him inaccurately or that some similar mistake may have been made. If the producer is willing to go ahead, knowing that there may be some adjustment made in his offer and the County Agent determines that such an emergency exists, so that the producer should be allowed to proceed with destroying his offered crop, then the County Agent should sign the permit form printed below the application and allow the producer to begin taking his land out of production. In no case, however, should the producer take any land out of production until a member of the local committee has indicated his approval by signing his name at the place provided for the purpose on the application form. The application and permit should be filled out and signed in triplicate, the yellow form to be retained by the producer, the pink form by the County Agent, and the white form forwarded by the County Agent to the Agricultural Adjustment Administration at Washington, along with the producer's proof of Performance and Certification (forms for which will follow).

No permit should be issued to a producer who has received a Notice of Acceptance from the Secretary.

Producers whose offers have been accepted by the Secretary of Agriculture, including those who have signed emergency applications for permits to take land out of cotton production, will receive from the Agricultural Adjustment Administration, notices showing such acceptance. These notices will be mailed to County Agents and it will be their duty to distribute them to the producers named in them. The notices will show the net result of the modifications, if any, which have been made in the producer's offer and the amount of compensation to which he will be entitled upon performance of his contract.

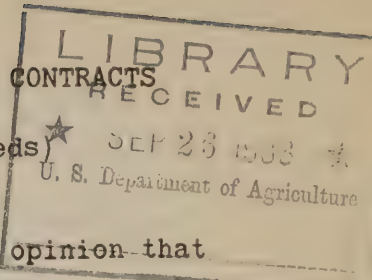
After a producer has received a notice of acceptance by the Secretary of Agriculture or has been granted by the County Agent a permit to proceed to take land out of cotton production, it shall be the County Agent's duty to instruct him as to the manner in which his crop shall be destroyed. No uniform manner can be prescribed since conditions of planting and growth vary in different localities. The County Agent is in position to determine the best method of insuring complete destruction of the cotton crop growing on the land to be taken out of cotton production, and will instruct producers to act as he believes necessary to accomplish such complete destruction. Forms captioned--"Performance and Certification"-- are being sent to County Agents, on which forms producers who have taken land out of cotton production may submit proof of the performance of their contracts. These forms captioned--"Performance and Certification"--are to be delivered to producers, both to those who have been granted emergency permits to proceed with taking land out of cotton production and also to those who take land out of cotton production in regular course pursuant to Notice of Acceptance by the Secretary of Agriculture.

To avoid delay, some Notices of Acceptance by the Secretary are being mailed to County Agents before final reports are received substantiating or modifying questioned estimates of 1933 per acre yield. County Agents must examine all acceptances to verify the estimated yields per acre and any other significant facts and deliver to the producers only those Notices of Acceptance that have been fully substantiated and approved by the County Agent and the County Committee. A Notice of Acceptance that is not delivered to the producer and the corresponding "Memorandum to County Agent" should be returned to the Agricultural Adjustment Administration, Cotton Section, with a notation of changes that are made. When the County Agent does not deliver the Notice of Acceptance to the producer an emergency permit may be issued to the producer, in which the conditions and estimated yield are correctly stated, authorizing the producer to proceed with the destruction of the cotton crop on his accepted acreage.

It is the purpose of the Agricultural Adjustment Administration to proceed as rapidly as possible in having producers take offered land out of cotton production. The system of emergency applications and permits here set forth is being used in addition to the more orderly system of individual acceptances. Its success will depend upon the intelligent cooperation of the County Agents. The Agricultural Adjustment Administration is relying upon them to insure the success of the cotton program in this, as in the other phases of that program in which they participate.

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DRAFT OF FORM LETTER TO MEMBERS OF CONGRESS RE COTTON CONTRACTS

(This Form will be varied to suit individual needs)



The Legal Division of this Administration is of the opinion that there is no legal prohibition which would prevent members of Congress from permitting their tenants to enter into cotton acreage reduction contracts, provided such members of Congress sign the waiver contained in paragraph 12 of such contracts beneath the caption of "Interested party." Said waiver reads as follows:

"The undersigned lien-holder(s) and/or others having an interest in the 1933 cotton crop now being grown on the lands embraced in the foregoing offer, hereby consent(s) to the making of this offer and to the performance of the conditions thereof when and if accepted, and agree(s) that the Secretary or his agents may deal with the producer as if he were the sole party having interest in said cotton land or crop."

If contracts relating to farms in which you are interested were executed by a person or persons other than yourself and not by you, and if you signed the above waiver, those provisions of the statutes of the United States restricting the right of members of Congress to contract with the United States are inapplicable.

If, however, you signed any such contract in the place reserved for the signature of the grower (this place appears in paragraph 12 of the contract immediately above the waiver already quoted in this letter), it is suggested that because of the prohibitions stated in Section 204 of Title 18 of the United States Code, you should execute a copy of the enclosed "Waiver of Interest" for such contract if the "Waiver of Interest" correctly states your intention in so signing such contract. The "Waiver

of Interest" for each contract should then be forwarded to Mr. Cully A. Cobb, Contract Unit, Agricultural Adjustment Administration, Department of Agriculture, Washington, D. C.

If you have signed any such contract as grower and the "Waiver of Interest" does not properly state your intention in so signing such contract so that you are unable to execute a "Waiver of Interest" for such contract, it is our opinion that under the existing law no payment under such contract can be made to you without subjecting you to the risk of criminal prosecution. In the event that it was your intention that part of the payments under a contract so signed by you should go to someone other than yourself, will you please execute a copy of the enclosed "Partial Waiver of Interest" and forward the same to Mr. Cobb. The balance of any payments due under such contract, over and above the amounts specified in the "Partial Waiver of Interest," will be held in escrow by the Agricultural Adjustment Administration until such time as Congress may direct the disposition of the same.

If you have signed any contract intending to receive all the payments, will you kindly notify Mr. Cobb immediately of such fact and of the serial number of such contract, or, if you have no record of the serial number, of the name of the county where the farm covered by such contract is located, and of the name or names of the person or persons who signed such contract as the grower or growers. The payments called for by any such contract will also be held in escrow until Congress may direct the disposition of the same.

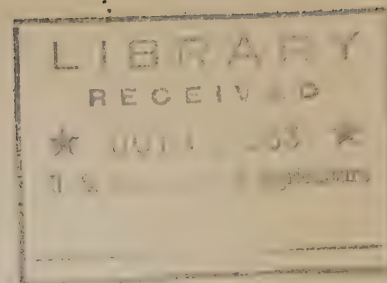
If payments, or parts thereof, under any contract covering a farm in which you have a personal interest are to go to a creditor of yours in reduction of your debt, it is our opinion that you should notify Mr. Cobb to withhold such payments and keep them in escrow until Congress directs the manner of their disposition, except in cases where you acted as trustee or intermediary for others (your tenants for example) so that they are the parties primarily indebted. In this latter event it is our opinion that your interest is not sufficiently direct to come within the statutory prohibition.

It is also our opinion that no member of Congress may under the existing law permit a tenant to sign an acreage reduction contract with the agreement or understanding that such member of Congress will receive from his tenant a part of the payments to be made under such contract.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.



We are returning herewith the specimen copy of the cotton option contract executed by you and forwarded to this office.

This is not the official option contract. It was prepared and distributed at the beginning of the acreage reduction campaign as a means of advising the grower or the producer as to what his option contract ultimately would be like.

At an early date, probably around the 15 of October, the Secretary of Agriculture will distribute to all farmers in the cotton belt their option contracts properly executed by him, after which time each producer will be in a position to exercise his option under the regulations prescribed and as is convenient to him.

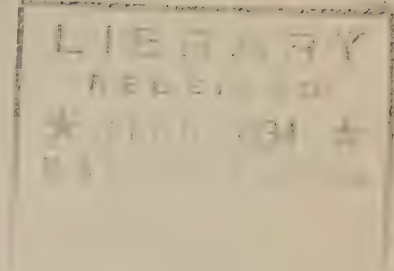
Very truly yours,

C. A. Cobb,
Chief, Cotton Section,
Production Division.

J. O. Lamkin,
Manager, Cotton Option Pool.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D.C.



I have just been rechecking the results of our 1933 Cotton Adjustment Program. The total value of the crop of the year including rental and benefit payments, calculating the 13,177,000-bale crop harvested at 9 cents, stands at 754 million dollars. This is the most valuable crop since 1929 when the price was 16.8 cents. If we contrast this total with what the crop would have brought had the potential 17½ million bale crop gone to harvest, and had it been sold at 5 cents (which in my judgment is a liberal estimate), the results show that the farmers are by 314 million dollars better off than otherwise would have been the case. While this is some measure of the success of the campaign, yet a more definite measure is the almost incredible improvement in business over what it was in the spring or was a year ago. With this change for the better we have seen a return of confidence which perhaps fundamentally is the most important achievement of all. From one end of the Belt to the other, the Program has succeeded even beyond expectations.

The energy, the intelligence and understanding of the County and Community Committeemen in a very large way accounts for the success that has been achieved. The time of these workers varied from a few days to several weeks. In the case of many, their service was one of sacrifice. They were fighting for a cause in which they believed.

A word of thanks from you to the Committeemen of your District will in my judgment not only be highly appreciated, but would do much to encourage these leaders to render their best efforts in our continued fight to raise the buying power of the cotton farmer, which of course was the objective of our 1933 campaign and which is the objective of that of 1934. I am attaching a list of the Committeemen from your District with the wish and hope that you will write to each individual, expressing in your own good way the things you would like to say. I would appreciate it if you would send me a copy of your letter to these Committeemen.

I am also attaching a tabulated statement showing the distribution of payments.

Most sincerely yours,

C. A. Cobb,
Chief, Cotton Section,
Production Division.

Enclosures.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

LIBRARY
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Dear Sir:

We are in receipt of your letter referring to certain phases of the 1934 and 1935 Cotton Acreage Reduction Plan, concerning which you desire information.

At this distance and with the limited information before us we do not feel qualified to pass upon your case.

The County Agent and Committeemen are in possession of the Administrative Rulings and other information incident to the Cotton Acreage Reduction Plan and are in much better position to pass upon the matters referred to in your letter than we are. We suggest that you submit your questions to them for consideration.

Very truly yours,

E. A. Miller

E. A. Miller,
Assistant to Chief, Cotton Production Section,
Commodities Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

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JAN 10 1938
U. S. DEPT. OF AGRICULTURE

Dear Sir:

Your very kind letter in reference to compulsory cotton production control has been received. We are pleased to have your views on this important subject.

A wide-spread opportunity has been given producers of cotton to express themselves on this subject for the guidance of Congress.

We are pleased to file your comments with others of like nature for consideration.

Very truly yours,

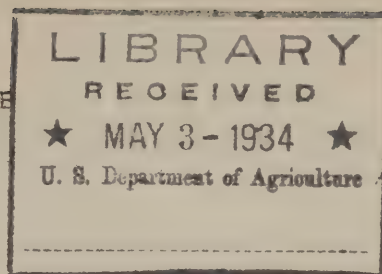
E. A. Miller

E. A. Miller,
Assistant to Chief, Cotton Production Section,
Commodities Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.



TO COUNTY AGENTS IN THE COTTON-PRODUCING STATES:

Your special attention is called to an early issue of Cotton Production Adjustment to be printed on colored paper. Each release in the future on colored paper will carry information for producers on the constantly changing cotton situation. The first release will deal primarily with the economics of the present cotton situation and certain attempts to regulate production of cotton. Some organized factual information and suggested procedures for disseminating the information will be included for special use of Agricultural Teachers, County Agents and others conducting meetings of the Cotton Production Control Associations.

An orderly and efficient method of supplying producers with information can be had by allotting definite responsibilities to each of the cooperating agencies. It is suggested that teachers of vocational agriculture be used as educational directors in their communities for the Cotton Production Control Associations.

Responsibilities may be divided in the following way:

COUNTY AGENT

To call meetings of community committeemen and all agricultural workers for the purpose of allotting responsibilities in connection with the community meetings. To work out a schedule of meetings for the communities in the county. To select someone to conduct meetings in communities that are not served by agricultural teachers.

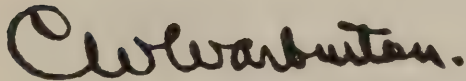
TEACHER OF VOCATIONAL AGRICULTURE

To act as conference leader in the community meetings in his district. To supply organized information to, and help in any other way that is feasible, the person or persons delegated by the County Agent to conduct the meetings in communities not served by agricultural teachers.


COMMUNITY COMMITTEEMEN

To arrange for a place for the meetings in their communities. To notify the local members of the Cotton Production Control Association of the time, place and purpose of the meetings and encourage attendance at the meetings.

The Cotton Production Section of the Agricultural Adjustment Administration has assigned I. W. Duggan, Senior Agricultural Economist, to coordinate the work of the cooperating agencies in getting to cotton producers information on the cotton situation and the activities and regulations of the Cotton Production Section.



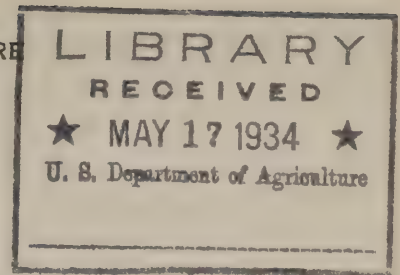
C. W. Warburton,
Director of Extension Work.



C. A. Cobb,
Chief, Cotton Production Section,
Commodities Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.



To All Chairmen of the County Committees
In Cotton States

Dear Sir:

Some time ago we wrote you that this office is in the process of building a mailing list of cotton ginneries, and requested you to forward us a list of all the gins in your county together with the post office address and location of the gin.

If you have not already done so, we would appreciate your sending us this list immediately. If possible, please indicate the approximate volume handled by each gin.

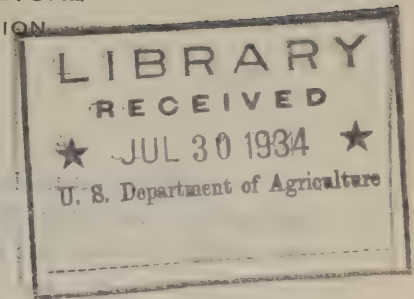
Very truly yours,

A handwritten signature in cursive script, appearing to read "C. A. Cobb".

C. A. Cobb, Chief,
Cotton Production Section,
Commodities Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.



To County and Community Committeemen:

We wish to express our appreciation of the excellent work that you have done in connection with the 1934-35 Cotton Adjustment Program. Without your assistance the progress made would have been impossible.

Some committeemen have asked as to their duties in regard to contract violations. While it is not necessarily the duty of a committeeman to act in the capacity of a detective, he certainly should report all cases of contract violations that come to his attention and should not approve any contract or certify compliance in any case unless he is fully convinced that the provisions of the contract are being complied with and justice and fairness done to all concerned.

In this connection we have received complaints that in a few cases landlords have attempted to take advantage of their tenants by employing some device as a means of taking or withholding from tenants their full share of the benefits of the Cotton Adjustment Program. Most of the complaints and reports received have reference to the following violations:

I. Displacement of Tenants by Landlords in Violation of the Contract

It has been reported that in certain cases planters or other operators are keeping a smaller number of tenants than heretofore, and in some cases have refused to allow displaced tenants to remain in the houses, rent free, or to use a part of the rented acreage for the production of food and feed for home consumption, thus depriving the tenants of a means of livelihood in violations of the terms of the contract.

II. Changes in Status of Tenants

It is reported that in some cases landlords have shifted from a cash or managing share tenant basis to a share-cropper basis, or have adopted a system of operating the land by hired labor with the idea of getting a larger share of the rental and parity payments. A number of cases have been reported where landlords have signed the contracts as producers when their tenants seem to qualify as managing share tenants.

III. Withholding Benefit Payments

Complaints have been made that in certain cases landlords have inserted special clauses in rental contracts or lease forms or have caused supplemental agreements, either written or verbal, to be made by which their tenants agree to surrender claim to certain portions of the rental and parity payments or to the use of the rented acreage.

IV. Increase in Rental Rates

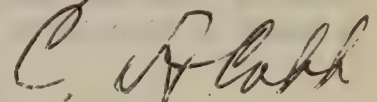
Cases have been reported where landlords are requiring a larger share of the crop than usual as a means of securing for themselves in an indirect way a larger part of the rental and parity payments.

A special group has been designated to investigate and adjust differences that have arisen between landlords and tenants in connection with the terms of the 1934-35 Cotton Acreage Reduction Contract. It will not be possible for these field representatives to visit every county, so we are asking County Committees to be on the lookout for violations of this kind and attempt to have them adjusted. Where you find that a contract has been signed or that supplemental agreements have been made whereby the tenant will not receive his just rights and the landlord refuses to have the matter adjusted, the contract should not be accepted. In case the contracts have already been sent to Washington, an order should be given by your committee to have them suspended or rejected.

It is our belief that County Committees and the great majority of landowners and tenants who have been conscientious and fair are not willing that a few be permitted to take unfair advantage and cast reflection upon the South. If there are cases which your committee feels it cannot handle, please report them to us and a man will be sent to make investigations and take necessary action. Whatever is done by us will be done through your committee. We must recognize that the humblest tenant is entitled to protection and that each must get that to which he is entitled under the contract.

Assuring you again of our very deep appreciation of the faithful service you have rendered and your excellent cooperation, I am,

Very truly yours,



C. A. Cobb, Chief,
Cotton Production Section,
Commodities Division.

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U. S. Department of Agriculture

TO ALL EXECUTIVE SECRETARIES, STATE ALLOTMENT BOARDS,
REPRESENTATIVES. AND EXTENSION

Gentlemen:

In the event that you will need to use the Interim Tax-Exemption Certificates, Form B. A. No. 14, prior to the time you will be able to make satisfactory distribution of the regular forms, please note the following procedure:

1. A supply of these may be had by so requesting the Cotton Production Section.
2. It should be stressed that this is only an emergency plan of aiding the farmers in the advanced harvesting sections. Conservatism in their use should be the watchword. The County Committee should, before issuing an interim certificate, study carefully the production of the individual's farm for the base period, and keep as much below 50 percent of the base production as can be done. Form No. B. A. No. 14a, which is a duplicate copy, is retained in the office of County Committee.
3. Since producers raising cotton for 1934 for the first time will receive their allotment out of the special 10 percent and since the final distribution of this 10 percent to individuals is yet to be worked out, such producers will have to wait for their actual allotment.
4. The County Committee should report weekly to the State Allotment Board the actual issuance of these certificates, giving serial number, name and poundage allowed.

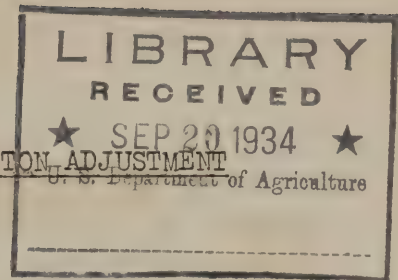
5. Recall of all unused as well as used interim certificates as of a certain date will be made by the Cotton Section. Therefore, it is obligatory that care be taken in the handling of all forms and records as a proper accounting must be made upon the close of this period.
6. When the regular Tax-Exemption Certificates are delivered to the office of the County Control Association for producers who have been issued interim certificates, the ginners concerned should be so notified and advised to surrender the interim certificates, which they hold, and receive in return an equivalent portion of each individual certificate concerned. The ginner upon receiving the regular certificates should receipt at the foot of Form No. B. A. No. 14 in the appropriate space.
7. The copy of Form B. A. No. 14 receipted by the ginner should be held in the office of the County Control Association as its record showing disposition of that portion of producer's certificate represented, until such time as the Cotton Production Section asks for its return to Washington.

Yours very truly,



C. A. Cobb, Chief
Cotton Production Section
Commodities Division.

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TO ALL COUNTY AGENTS AND ALL ASSISTANTS IN COTTON ADJUSTMENT

Dear Sir;

Re: Surplus Tax Exemption Certificates

You have been forwarded a small supply of supplementary regulations concerning the sale and transfer of Surplus Cotton Tax Exemption Certificates. The following is a brief outline of these regulations:

Sale Exchange and Transfer

Any cotton producer holding surplus cotton tax exemption certificates may dispose of them as follows:

1. He may hold them over for his personal use in 1935, in the event the Act is in effect at that time.
2. He may sell them to another cotton producer living in the same county where certificates were originally issued.
3. He may surrender them to the County Assistant in Cotton Adjustment for sale through the National Pool.

Surplus Certificates

In event of sale, producers offering certificates for sale must sign a statement declaring the certificates so offered, to be surplus. A supply of Form No. B.A. 117 for this statement will be provided. This form is self-explanatory.

Share croppers and tenants who have executed trust agreements with their landlords on Form B.A. 26 may authorize this trustee to sell these certificates under the regulations or surrender them to the Surplus Pool for sale.

Local Sales

All sales from one producer to another producer in the same county must be recorded in the office of the Assistant in Cotton Adjustment. The necessary form for this record, as well as all other forms referred to in this letter, will be provided by your State Allotment Board.

Surplus Cotton Tax Exemption Certificate Pool

1. Method of surrendering certificates. The Pool will be made up of surplus certificates surrendered to it by producers who execute the trust agreements after statement made to Assistant that such certificates are surplus. The actual certificates must accompany the trust agreement to the Certificate Pool Manager.

2. Sale of certificates to producers. In order to expedite the service, it is planned, upon the Assistant's request, to consign a supply of Pool certificates which will vary slightly in appearance from the regular certificates now being used. This request for a supply of certificates to be consigned must be clearly distinguished in mind from the requisition for authority to sell certificate poundage referred to in the following paragraph.

Before actual sale of any of these certificates, a separate requisition by wire or letter for authority to sell must be made to and acknowledged by the Certificate Pool Manager and should be in such an amount as to anticipate the probable demand for several days in advance. This will save expense in wires and should such an authorization not be finally completely used, it may be cancelled by the Certificate Pool Manager.

IMPORTANT

The full value of consigned certificates (\$200.00 each) at time of consignment will be charged to the Assistant, the proper credits against such consignment will be given periodically as sales reports are rendered. Therefore, it is necessary that the greatest care be taken with these certificates.

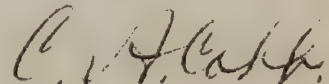
It will be a violation of the regulations to accept cash in exchange for coupons. All purchasers must provide Post Office Money Order, Certified Check or Bank Draft in amount equal to the value of the certificates purchased and drawn in favor of the "Certificate Pool Manager."

Assistants in Cotton Adjustment will be held strictly to compliance with these regulations and any violation of same may result in recommending termination of his appointment.

Address all communications pertaining to Surplus Tax Exemption Certificates to:

E. L. Deal,
Certificate Pool Manager,
Cotton Production Section,
Department of Agriculture,
Washington, D. C.

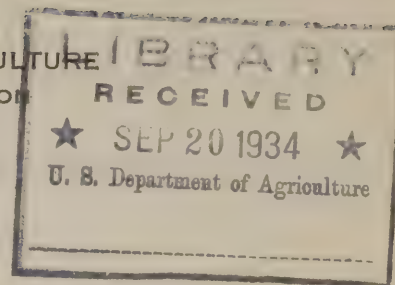
Detailed explanation of use of forms is attached hereto.



C. A. Cobb, Chief,
Cotton Production Section,
Commodities Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D.C.



Dear Mr.

Your very kind letter of recent date has been received in which it appears that you have through error planted an acreage to cotton in excess of the number of acres permissible under the terms of your 1934-1935 Cotton Acreage Reduction Contract.

We regret that you are confronted with the necessity of destroying sufficient acreage to enable you to comply with the terms of your 1934-1935 Cotton Acreage Reduction Contract and to receive the rental and parity payments thereunder.

There is a possibility that you may be able to get some relief as provided by an Administrative Ruling recently approved. The 1934-1935 Cotton Acreage Reduction Contract permits a producer to rent to the Secretary of Agriculture from 35 to 45 percent of his base acreage or to plant from 55 to 65 percent of his base acreage.

If, under the terms of your contract, you were permitted to plant less than 65 percent of your base acreage, you may with the approval of your County Agent and County Committee have your contract amended so as to enable you to plant a maximum of 65 percent of your base acreage. It is suggested that you confer with your County Agent and County Committee with this end in view.

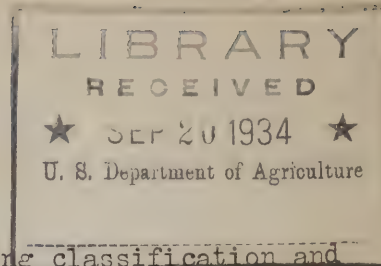
If your contract provided that you were to plant 65 percent of your base acreage and you have exceeded that allotment in your actual planting, then there is nothing left for you to do in compliance with the terms of your contract but to take the excess acres out of production.

Very truly yours,

E. A. Miller,
Assistant to Chief,
Cotton Production Section,
Commodities Division.

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MEMORANDUM TO MEMBERS OF THE STAFF
COTTON PRODUCTION SECTION



To facilitate the handling of correspondence the following classification and distribution of incoming mail will be adhered to:

Letters of policy and administration:

C. A. Cobb
D. W. Watkins

Letters from Directors of Extension, County Agents, County Committeemen, etc., pertaining to administration problems, etc.:

D. W. Watkins
E. A. Miller
C. H. Alvord

Cancellation of contracts, investigations and disputes:

E. A. Miller
Mr. Bishop

Secretarial and Congressional letters:

Mr. Croom

Letters relative to tax-exemption certificates, tags, etc.:

Mr. Deal

Letters pertaining to regulations, forms, etc.:

Mr. Reynoldson

Letters relative to tagging of old cotton:

Mr. Crawford

Letters relative to ginning, warehousing and miscellaneous correspondence:

Mr. Buchanan

Letters pertaining to Personnel and applications for positions:

Mr. Pratt

Supplies, etc.:

Mr. Smith

Letters affecting rights of tenants:

Mr. Green

Letters relative to compliance:

Mr. Ralls

Letters relative to status of rental benefit payments, etc.:

Mr. Council

Letters relative to petitions and opinions for and against Cotton Act; suggestions and plans offered; landlord-tenant letters other than those handled by Mr. Green:

Mr. Brown

Letters of authorization, expense accounts:

Miss Colman
Miss Hangartner

Letters relative to cotton statistics:

Mrs. Wheeler

Vocational teachers:

Mr. Duggan

Review of correspondence for Mr. Cobb's signature:

Mr. Pratt

Approval of delayed or special contracts, state and county allotment letters and county summary sheets:

Mr. Schutz

Any member of the staff leaving town for field work must make necessary arrangements for someone to handle his correspondence during his absence.

Each member of the staff will be held responsible for answering those letters coming under the class to which he is assigned. Should it become necessary for him to refer letters to someone else he should be assured that the letters will be answered by the party to whom they were referred. They should not be referred back to the receiving section.

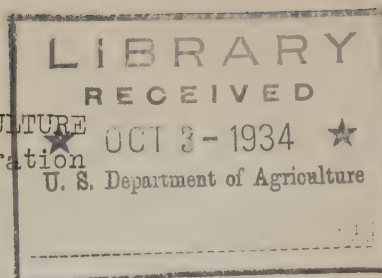
Those members of the staff working on administrative problems, rules, regulations and other subjects which require a considerable portion of their time, should attempt to answer as much of the correspondence assigned to them as possible. However, if it is found that the answering of letters becomes a burden or consumes too much time, arrangements should be made with Mr. Pratt for additional help or a re-distribution of the mail.

If any members have any suggestions to offer which they believe will facilitate the handling of correspondence, they should discuss them with Mr. Pratt.

/s/ D. W. Watkins, Acting Chief,
Cotton Production Section,
Commodities Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D.C.



County Agent

Dear Sir:

Under separate cover we are forwarding to you blank forms designated respectively as AAA Cotton Form C-5F and AAA Cotton Form C-5H. Please imprint your County code stamp in the space provided for that purpose before these forms are distributed.

You will please see that these forms are made available to all Pool members in your County and that such members are advised with respect to their rights and privileges in connection with the use of these forms.

Form C-5F is intended for use by those members who desire the Pool Manager to purchase their Certificates at the market price as determined by Cotton Exchange quotations on the date to be designated in the form when same is executed. Offers made upon this form must be accompanied by the Participation Trust Certificate offered. This form must be signed by the legal holder of the Certificate as shown by records here or by the holder designated in a properly executed endorsement on the Certificate itself.

If a Certificate is offered by a person other than the recorded holder, the Manager, Cotton Pool, reserves the right to investigate the conditions under which the Certificate was acquired and if it is found that the Certificate has been fraudulently acquired or acquired for a grossly inadequate consideration the Manager may refuse to purchase. No offers for sale will be considered except when made upon this Form C-5F.


The Form C-5H is intended for use by those producers desiring to leave their cotton in the Pool for the present and to procure a further advance of two cents per pound less carrying charges of \$2.40 per bale to cover expenses from February 1, 1934 to and including September 30, 1934. You will accordingly instruct members that if they desire the additional advance they will execute this Form C-5H and send this form in together with the Participation Trust Certificate. You will observe that this Form C-5H is to be executed in two places, the first agreeing to an amendment of the original Exercise of Option and Pool Agreement and the second, a request for the additional advance. These documents will be accepted only when executed either by the holder of record as shown by the records (of the Manager, Cotton Pool) or by a person properly designated as an assignee in the manner required on the Participation Trust Certificate.

You will please advise Pool members that they have the following privileges in accordance with these forms:

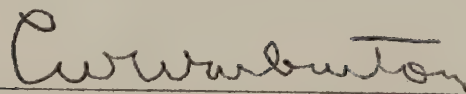
- (a) To sell the Certificate to the Pool Manager at the market price of cotton and receive the proceeds of the sale less a deduction of \$50.00 per bale to cover the loan and a deduction at the rate of \$2.40 per bale to cover expenses from February 1, 1934 through September 1934, this expense item will be increased at the rate of 30¢ per bale per month after October 1, 1934.
- (b) Receive an additional advance of two cents per pound and receive a new Participation Trust Certificate. In this case the net proceeds to the producer will be \$7.60 per bale, the remaining \$2.40 being applied to pay costs of carrying to October 1, 1934. The member who avails himself of this privilege, may at any time after receiving his distribution sell his new Participation Trust Certificate to the Pool Manager at the market price, provided the price is not less than twelve cents per pound, and in this case there will be deducted from the proceeds of the sale \$60.00 per bale (or twelve cents per pound) plus expenses at the rate of thirty cents per bale per month after October 1, 1934. Instructions for selling this new Participation Trust Certificate can be found on the reverse side of Form C-5I.

Pool members should exercise their own judgment in the matter of offering their Certificates for sale to the Pool Manager. The cotton is being carried at a very low cost and unless the market goes materially higher will be carried for an indefinite period of time if the Pool members so desire.

Very truly yours,

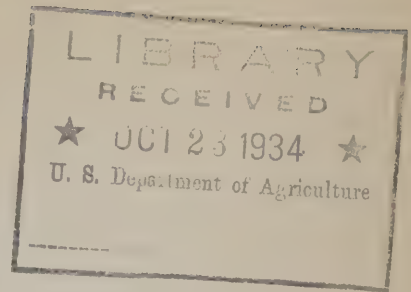

Oscar Johnston,
Manager, Cotton Pool

Approved:


Director of Extension

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DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
COTTON PRODUCTION SECTION.



MEMORANDUM TO ALL COUNTY AGENTS AND
ALL ASSISTANTS IN COTTON ADJUSTMENT.

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It is very necessary that this office have certain information as requested in question form on the enclosed card. The purpose of this information is to serve as a guide in the activities of the Surplus Certificate Pool as well as the Cotton Section, especially as relating to consignment of both pool and regular certificates to you. Likewise, this information is needed so that we may make proper distribution of the several forms pertaining to certificate transfers which we will send to the State Allotment Boards for re-distribution to you.

Information on Forms.

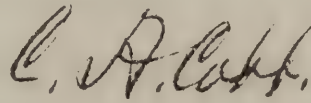
An initial supply of Forms No. B.A. 116 and 117 have been sent you direct, in order to save time. An additional supply of these and all other forms outlined in our mimeographed instructions have been sent your State Allotment Board for distribution to you. Should you not receive your supply at an early date, communicate with your Executive Secretary, State Allotment Board.

Reissues to be made by County Assistant.

Attached hereto is a compilation of all the Sections in the Regulations issued to date covering the authority for you to reissue in the several cases of regular certificates. We have compiled these for your use in recording the appropriate section number in the column designated in Form No. B.A. 111.

Note: In surrendering surplus certificates to the Pool, detach the certificate from the manilla cover so as to avoid too much bulk in transmittal of

certificates to the Certificate Pool Manager. In detaching the certificates, please guard against mutilating any portion of the individuals name or address.

A handwritten signature in dark ink, appearing to read "C. A. Cobb". The signature is written in a cursive style with a large initial "C" and a distinct "A".

C. A. Cobb, Chief,
Cotton Production Section,
Commodities Division.

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OCT 31 1934

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.



This will acknowledge receipt of your communication of recent date with reference to the operations of the Cotton Revenue or Bankhead Act.

Recently a conference was held in the office of the Secretary of Agriculture with a number of Senators, Congressmen and Administrative Officials present, at which time careful consideration was given to the operation of this Act. It is clearly evident that much of the demand that the Act be suspended comes from people other than cotton producers who are cooperating in the Agricultural Adjustment Program, and from those farmers whose cases will be handled out of the ten percent state reserve. From the large number of communications which have been received recently from individual cotton producers, and from groups and organizations of such producers, urging the continuation of the Bankhead Act, it was agreed at this conference that no steps be taken to delay in any way procedure under the Act.

It is recognized that in the case of certain farmers, particularly new cotton growers who have produced no cotton or only a small acreage of cotton during the base period, the application of the Bankhead Act may seem somewhat severe. Administration of the Act is being conducted in such a manner that it is believed the broad purposes set forth in the Act will be accomplished, and in a way which will be as fair and equitable as possible to all classes of individual growers.

In the event it develops that it will be necessary to purchase additional tax-exemption certificates, we wish to advise that a national pool for handling such certificates has been set up, which will operate as a clearing house in the interest of producers. The price of these tax-exemption certificates from the national pool has been fixed at four cents per pound. The County Assistant in Cotton Adjustment is in a position to be of assistance to anyone in this connection.

Very truly yours,

C. A. Cobb,
Chief, Cotton Production Section,
Commodities Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D.C.

U. S. DEPARTMENT OF AGRICULTURE

TO ALL COUNTY AGENTS IN COTTON-PRODUCING STATES:

We are sending you under separate cover a supply of Bristol board binders to be used in assembling and filing the duplicate copies of cotton contracts and applications for allotments under the Bankhead Act which you have received from the farmers in your county.

Each of these binders is large enough to hold approximately 200 leaves. If these applications or contracts are filed numerically, we would suggest the preparation of an alphabetical index to be placed in the book showing the number assigned to each producer. Also, if desired, a separate alphabetical list could be made up showing the owners and the numbers of the contracts in which they are interested.

These binders are sent out in two forms. In one form the clip holding the sheets is at the top of the back cover. These are designed to hold the 1933 plow-up contracts and the 1934 cotton contracts, which should be punched to receive the fastener clip at the top. Compliance forms for the 1934 contract may be filed with the contract if desired.

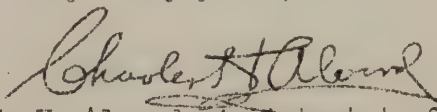
The second class of binders sent you will have the clip on the left margin of the back cover and is designed to hold B.A. 8(a), B.A. 9, and B.A. 10. In these the punch holes should be on the left margin and in punching the holes for the clip, be careful not to destroy any of the data that might be on the back of the application.

In filing the 1933 plow-up contracts we would suggest tearing off the second half, which contains only the map and no information of permanent value.

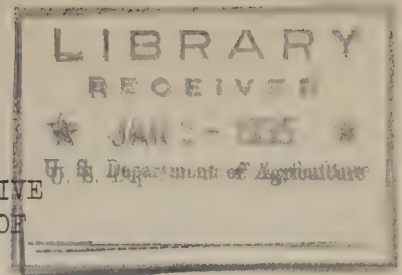
In filing the 1934 cotton contract, with the contract open in full length, face up, fold the bottom up until the top of page 3 falls just under the words "Performance by Producer". This will expose Table 2, which is the important data to which you will have occasion to refer.

IMPORTANT -- Please note, this shipment is not a complete shipment. Additional binders will be sent you as rapidly as they are received from the contractor, and you will be advised when the shipment has been completed. Do not ask for additional binders until you have been advised that we have completed your allotment.

Very truly yours,


C. H. Alvord, Assistant to Chief,
Cotton Production Section,
Commodities Division.

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INFORMATION TO BE SENT TO PRODUCERS RELATIVE
TO PAYMENTS IN COTTON AND INDIVIDUAL USE OF
TAX-EXEMPTION CERTIFICATES

(1) Where either rent for a farm or an installment on the purchase price of a farm is payable under the contract between the private parties in seed cotton before ginning, so far as the Bankhead Act is concerned the seed cotton may be delivered without tax-exemption certificates because the tax levied by the Bankhead Act is on the ginning of cotton.

(2) Where either rent for a farm or an installment on the purchase price of a farm is payable under the contract between the private parties in a fixed amount of ginned cotton, the practical result of Treasury Regulations 84 (which under the Bankhead Act had to be framed "with due regard for the protection of the revenue") is that the cotton must be cleared of tax by tax-exemption certificates or the tax paid in cash before the cotton can be delivered in payment on the rent or purchase price.

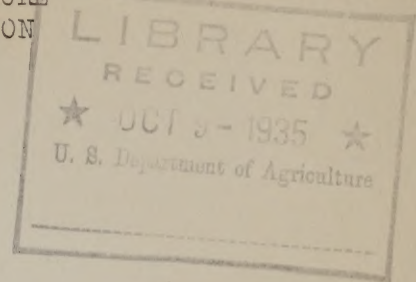
The foregoing two paragraphs are in accordance with rulings of the Commissioner of Internal Revenue.

Since it is a private matter between them, it may be that the landlord or seller and the standing-renter or purchaser, as the case may be, may recognize that there is just ground for adjusting between themselves the amount of the standing-rent or payment on purchase price because the Act levying the tax on ginning of cotton in excess of the tax-exemption allotted to the renter or purchaser was passed after their rental or purchase contract was entered into and that the value of cotton, as a result of the Government cotton program, has greatly increased over its value at the time their rental or purchase contract was made.

(3) Where under a lease or cropping agreement the cotton crop or its proceeds is to be divided between the landlord and share-tenant(s) or share-cropper(s) and tax-exemption certificates have been issued to them individually, the certificates allotted and distributed by the State Allotment Board to each individual should be applied by him to his own part of the crop; that is, the landlord uses his own certificates on his own part of the crop while the share-tenant or share-cropper uses his own certificates on his own part of the crop. If the production of cotton on a producer unit covered by a lease or cropping agreement is such that the exemption certificates issued to the landlord respecting such unit will not cover his share, there is no obligation on the part of the tenant(s) or cropper(s) either to pay the tax or to furnish certificates to cover the share of such excess production going to the landlord as rent or as his share. Likewise there is no obligation on the part of the landlord either to pay the tax or to furnish certificates to cover any excess production going to the share-tenant or share-cropper as his share or wages.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



This acknowledges your letter with reference to your allotment of tax-exempt cotton under the Bankhead Act.

The county allotment of tax-exempt cotton is definitely fixed and may be likened to a common fund in which producers in the county share according to their just claims. The claim of the individual producer is based on the cotton history of the land he is farming. The county and community committeemen are charged with the responsibility of recommending the bases for an equitable proration of the county allotment as between the various cotton farms in the county.

Since the county allotment of tax-free cotton was less than the production of cotton in the county during the base period, it was necessary to reduce the allotment of tax-exempt cotton to individual producers below the base production of their farms. You can readily understand that if any producer should receive an allotment above what is warranted by the facts, all other producers in the county would be deprived of their fair shares.

Any producer who has just grounds for being dissatisfied with the recommendation of his County Committee may appeal to the State Adjustment Board. First, however, he must file his claim with the County Committee. The State Adjustment Board upon receipt of the appeal from the County Committee will set a date for a hearing, at which both the producer and the County Committee, or their representatives, will be given an opportunity to appear and present their claims, if either or both so desire.

In any case decided by the State Adjustment Board according to authority given by approved regulations, the findings shall be final. In any case where specific authority has not been approved, the producer may request in writing that the State Board submit its recommendation, together with the complete file of the case, to the National Cotton Adjustment Board in Washington for appropriate action.

We wish to assure you that the Division of Cotton is making every effort to see that the cotton adjustment programs are administered in an equitable manner.

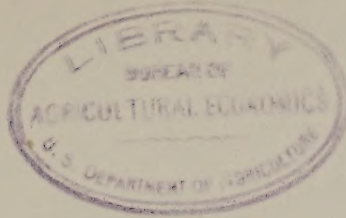
Very truly yours,

C. A. Cobb

C. A. Cobb

Director, Division of Cotton.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



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This acknowledges your letter with reference to your allotment of tax-exemption certificates under the Bankhead Act.

You do not state whether you have filed an application for such an allotment. In the event you did not file an application for an allotment prior to the expiration date for making applications for allotments, it is suggested that you go to your County Agent's office immediately and discuss the situation with him so that your case may be given the proper consideration.

We are also writing your County Agent, asking him to assist you in every way possible.

Very truly yours,

A handwritten signature in cursive script, appearing to read "C. A. Cobb".

C. A. Cobb,
Director, Division of Cotton.

